INDUSTRY TOURISM AND INVESTMENT

1. OVERVIEW

MISSION

The Department of Industry, Tourism and Investment (ITI), in partnership with others, provides quality programs and services to promote and support Northwest Territories (NWT) economic prosperity and community self-reliance.

GOALS

1. Promote and support a diversified economy that provides opportunities for NWT residents.
2. Promote and support the development of business opportunities, including agriculture, commercial fishing, the traditional economy, tourism, trade, investment, manufacturing, and secondary industries.
3. Promote the sustainable development of natural resources that respects the conservation and protection of the environment for our future generations.
4. Promote and support the efficient development, utilization and marketing of energy resources to achieve self-sufficiency, maximize economic opportunities, and realize affordable energy costs.
5. Secure economic and employment opportunities from responsible resource development for NWT residents.
6. Develop partnerships with individuals, businesses, communities, Aboriginal organizations and other governments to foster prosperity and community self-reliance.

PROPOSED BUDGET ($000)

Total Operating Expenses	$54,423
Compensation & Benefits	$18,782
Grants & Contributions	$24,097
Other O&M	$10,614
Amortization	$930
Infrastructure Investment	$599

PROPOSED POSITIONS

Headquarters (HQ)	79 positions
Regional/Other Communities	96 positions

KEY ACTIVITIES

- Corporate Management
- Minerals and Petroleum Resources
- Energy
- Tourism and Parks
- Economic Diversification and Business Support

STRATEGIC ACTIONS

The department will take the following actions in support of the government's strategic initiatives:

MAXIMIZING OPPORTUNITIES

- Support Diversification
  - New Support to Entrepreneurs and Economic Development (SEED) Policy and Enhanced Funding
  - Parks: Renewal, Operations, Maintenance and Capital
  - Cultural Interpretation at Parks
  - Sport Hunt Outfitter Marketing Support
  - Falcon Broadband Network
  - Tourism Product Diversification and Marketing (TPDM) Fund
  - Economic Development Officers
  - *Tourism 2015* (Extending *Tourism 2010*)

- Promote the NWT as a Place to Visit and Live
  - National Marketing Campaign
  - Promote Arts and Crafts Production
  - Promote NWT Artists
  - Agreement on Internal Trade (AIT) - Hosting of Internal Trade Ministers Meeting

- Maximize Benefits from Resource Development and Related Initiatives
  - Mackenzie Gas Project (MGP) Strategic Investment
  - Maximizing Northern Residency - Mining Workforce Initiative Memorandum of Understanding Between the Government of the Northwest Territories (GNWT) and the Diamond Mines
  - Socio-Economic Agreement for De Beers' Gahcho Kué Mine

REDUCING THE COST OF LIVING

- Improve Quality and Cost of Shelter
  - NWT Hydro Development

- Address Factors that Impact the Cost of Living
  - Promote and Support Commercial Harvesting, Processing and Marketing of Fish and Meat in the NWT
  - Agriculture Development Infrastructure
  - Expansion of Residual Heat
  - Energy Plan Renewal

BUILDING OUR FUTURE

- Expand Programming for Children and Youth
    - Take A Kid Trapping

MANAGING THIS LAND

- Environmental Stewardship
    - Protected Areas Strategy Analyst

- Mitigate and Adapt to Climate Change Impacts
    - Łutselk'e Mini-hydro Facility
    - Whati Mini-hydro / Transmission Line
    - Sahtu Hydro Assessment / Bear River Feasibility
    - In-stream Hydro Power

2. EMERGING ISSUES

1. *The tourism sector is experiencing both challenges and opportunities.*

   The tourism sector is significant, contributing more than $130 million to the NWT economy each year. Of all sectors, tourism presents the greatest likelihood of creating economic opportunities in each region and for each community. The recent investment by northern governments in the 2010 Winter Olympics has greatly increased national and international awareness of the NWT. There is now an opportunity to build on that awareness, to further increase the tourism sector's contribution to the NWT economy.

   Guided sport hunting is a major part of the tourism sector, providing jobs and revenue that stay in the NWT. The United States ban on polar bear imports, the European Union position on fur harvesting, and the suspension of caribou hunting in some parts of the NWT are presenting serious challenges for this sector of the tourism industry.

   Road traffic also represents an important part of the tourism sector. Parks infrastructure, in particular, plays a role in attracting visitors to the NWT. However, it is increasingly hard for this aging infrastructure to meet the goals of bringing more visitors into territorial parks, providing services for increasing numbers of recreational vehicle campers, and enhancing the visitor experience.

   Lastly, although tourism has the potential to create economic opportunities in all NWT communities, Aboriginal operators are under-represented in this industry. However, there is increasing interest in cultural tourism and a natural link between the traditional economy and additional tourism products.

2. *The rate of mineral exploration is much lower in the NWT than in other parts of Canada.*

   The rate of exploration in the NWT for minerals, oil and gas is low, and is falling faster than in other jurisdictions. Many factors may explain this. NWT projects have been in advanced exploration, which is now completed. As well, during the global economic crisis mineral exploration companies could not raise money on the market for their work programs. However, the regulatory system is also one part of this equation and is viewed as complex and time-consuming by many industry members.

   While ITI cannot control or influence exploration and production decisions, or even the environment in which these decisions take place, it can influence the federal government and industry to a degree. If all parties to the regulatory system can work to create greater certainty, this will stimulate investment in the NWT. For its part, the department can work to transform negative perceptions that the mining and petroleum industries have of the NWT. In partnership with the federal government, ITI can also work to ensure that industry is aware of the significant resources that underlie most of the NWT.

3. *The NWT population is too low to sustain economic growth and is stagnant.*

The NWT economy and the economic opportunities upon which it is based have increased enormously over the last decade but our population has not kept pace. To fully benefit from the enormous growth requires a growing population to meet labour requirements within industry and to serve the requirements of an expanding service sector. A growing population base is fundamental to sustainable economic growth.

NWT Population Trend, Calendar Years 1999-2010

Source: NWT Bureau of Statistics

In response to this broader issue, the GNWT has committed to promote itself as a place to visit, work, live and invest, to promote the opportunities available here and dispel negative myths. For example, rotational workers result in almost $334 million in economic leakage and a lack of skilled labour to take existing job opportunities. There is a particular need to focus on workers and students, getting those that have moved away to come back to the NWT.

4. *The cost of living in the NWT is high and is affecting both business and population growth*

It is important to create the right environment for northerners to be self sufficient. Sustainable economic success in all NWT communities will require a level playing field. At this time there still is a wide disparity between regional centres and small communities in costs and in economic and social conditions. Actions being implemented through the review of electricity rates, regulation, and subsidy programs will help to address this disparity, but energy costs will remain a substantial component of the high cost of living.

Rising energy costs, and the growing impact of our energy use on the environment, point to the need to displace imported diesel with local energy sources. Increasing the use of local renewable and alternative energy sources (such as biomass, geothermal, solar, and wind) will remain a key priority in the coming years.

The NWT also has significant potential with regard to more conventional sources of energy. Conversion of communities to natural gas for home heating and electricity generation, and the further development of the NWT's world-class hydro potential, are two such opportunities. Reducing NWT exposure to fluctuating world oil prices will also be important to the continued sustainability of NWT communities.

5. *There is a lack of diversity in the NWT economy*

There is a heavy reliance on the resource sector in the NWT economy. Diamonds, oil and natural gas make up more than 98 percent of NWT exports, at over $2.7 billion. Currently, economic growth in the NWT cannot be maintained without continued development of diamonds and other resources. Resource development provides direct employment and business opportunities for a wide range of NWT residents and businesses.

Current manufacturing in the NWT is dominated by diamond processing, manufacture of products for industry and unique northern products. Overall, sales have declined significantly over the past four years, from $90 million in 2005 to an estimated $40 million in 2008. The NWT manufacturing sector is dominated by diamond cutting and polishing.

Reliance on only a few industries, however, emphasizes the need to diversify the NWT economy. This issue has been particularly in the forefront since the world-wide economic downturn that began in late 2008. There is a need to diversify the economic base into other industries such as tourism, manufacturing and services, as well as to recognize the important role of the traditional economy. Opportunities also exist to diversify mineral production into base metals, precious metals and other commodities.

6. *A sustainable economy requires a healthy environment*

Climate change is another significant factor that can impact the NWT economy. The large industrial sector has felt its effects through a shortened ice road season, and this has also impacted communities that rely on re-supply through ice roads. On the other hand, climate change has resulted in shrinking sea ice, which in turn is resulting in increased shipping opportunities.

Initiatives to reduce greenhouse gas emissions will be required. There will be positive and negative impacts on tourism related to renewable resource use. New agricultural opportunities may present themselves. Considerable potential also exists to develop renewable and cleaner energy sources to address both global warming concerns and rising fuel prices. Using NWT energy sources such as hydro or natural gas, or finding alternate energy solutions, would reduce NWT reliance on imported fossil fuels and would strengthen the economy.

3. 2011-12 PLANNING INFORMATION

The detailed description of planned activities for the department includes the following sections:

a) **Fiscal Position and Budget** provides information on the department's operation expenses and revenues.

b) **Key Activities** describes the department's major programs and services, including strategic activities, as well as results to date and measures.

c) **Infrastructure Investments** gives an overview of the department's infrastructure investments to date and activities planned for 2011-12.

d) **Legislative Initiatives** provides a summary of the department's legislative initiatives during the 16th Legislative Assembly as well as initiatives planned for 2011-12.

e) **Human Resources** includes overall statistics and position reconciliation, information on capacity building activities as well as departmental training and development.

f) **Information Systems and Management** describes department-specific information and management systems as well as major initiatives planned for 2011-12.

a) Fiscal Position and Budget

DEPARTMENTAL SUMMARY

	Proposed Main Estimates 2011-12	Main Estimates 2010-11	Revised Estimates 2009-10	Actuals 2008-09
	($000)	($000)	($000)	($000)
OPERATIONS EXPENSE				
Corporate Management	7,704	7,520	6,854	6,506
Minerals and Petroleum Resources	5,942	6,558	6,292	5,745
Energy	7,216	5,731	6,669	4,876
Tourism and Parks	11,135	11,344	12,575	10,485
Economic Diversification and Business Support	22,426	20,599	18,098	18,022
TOTAL OPERATIONS EXPENSE	54,423	51,752	50,488	45,634
REVENUES	1,016	1,203	1,333	841

OPERATION EXPENSE SUMMARY

	Main Estimates 2010-11	Proposed Adjustments: Forced Growth	Strategic Initiatives	Sunsets and Other djustments	Internal allocations	Proposed Budget 2011-12
		($000)				
Corporate Management						
Directorate	2,819	90	0	0	0	2,909
Policy, Legislation and Communications	1,115	36	0	0	0	1,151
Shared Services	2,209	85	0	(27)	0	2,267
Corporate Costs	1,297	0	0	0	0	1,297
Amortization	80	0	0	0	0	80
Total Activity	**7,520**	**211**	**0**	**(27)**	**0**	**7,704**
Minerals & Petroleum Resources						
Mackenzie Valley Pipeline Office	2,051	28	0	(200)	0	1,879
Industrial Initiatives	859	16	150	0	0	1,025
Minerals, Oil and Gas	3,633	80	0	(690)	0	3,023
Amortization	15	0	0	0	0	15
Total Activity	**6,558**	**124**	**150**	**(890)**	**0**	**5,942**
Energy						
Energy	5,731	10	3,225	(1750)	0	7,216
Amortization	0	0	0	0	0	0
Total Activity	**5,731**	**10**	**3,225**	**(1750)**	**0**	**7,216**
Tourism & Parks						
Tourism and Parks	10,559	191	0	(400)	0	10,350
Amortization	785	0	0	0	0	785
Total Activity	**11,344**	**191**	**0**	**(400)**	**0**	**11,135**
Economic Diversification & Business Support						
Investment and Economic Analysis	16,926	616	1,130	0	0	18,672
NWT BDIC	3,623	81	0	0	0	3,704
Amortization	50	0	0	0	0	50
Total Activity	**20,599**	**697**	**1,130**	**0**	**0**	**22,426**
TOTAL DEPARTMENT	**51,752**	**1,233**	**4,505**	**(3067)**	**0**	**54,423**

REVENUE SUMMARY

	Proposed Main Estimates 2011-12	Main Estimates 2010-11	Revised Estimates 2009-10	Actuals 2008-09
	($000)	($000)	($000)	($000)
GRANT FROM CANADA				
TRANSFER PAYMENTS				
TOTAL	0	0	0	0
TAXATION REVENUE				
TOTAL	0	0	0	0
GENERAL REVENUES				
Investment Revenue	807	990	1,100	704
Parks Merchandise	20	23	30	21
Tourism Operator Licences	20	20	33	20
TOTAL	847	1,033	1,163	745
OTHER RECOVERIES				
Trade Mark Royalties	150	150	150	76
TOTAL	150	150	150	76
GRANTS IN KIND				
TOTAL	0	0	0	0
CAPITAL				
Deferred Capital Contributions	19	20	20	20
Other				
TOTAL	19	20	20	20
REVENUES	**1,016**	**1,203**	**1,333**	**841**

b) Key Activities

KEY ACTIVITY 1: CORPORATE MANAGEMENT

Description

The Corporate Management activity consists of Directorate; Policy, Legislation and Communications; Corporate Costs; and Shared Services (Finance and Administration, and Informatics).

Directorate includes the Deputy Minister and the Assistant Deputy Minister Programs and Operations. It guides the overall planning and execution of instructions from the Minister and the Legislative Assembly. The Deputy Minister and Assistant Deputy Minister provide strategic advice and support to the Minister and to the department.

Policy, Legislation and Communications provides leadership and services related to policy, communications, Cabinet and Financial Management Board submissions, legislation and regulation, intergovernmental and interdepartmental affairs. It is responsible for Access to Information requests and departmental trademarks and copyrights. It also coordinates ITI involvement in land and resource management issues.

Corporate Costs captures department-wide costs such as lease payments, vehicle and building maintenance, and fuel.

Shared Services consists of the Finance and Administration and Informatics divisions, providing services to the departments of ITI and Environment and Natural Resources (ENR).

Finance and Administration provides financial management and administrative services to the departments. These services include providing advice to senior managers on financial management, financial control, contracts and contributions.

Informatics is responsible for developing and maintaining information systems, databases and web systems that provide information to decision-makers and to the public. Services include:

- records management and library services;
- geomatics and geographic information systems and analysis;
- information systems development, implementation and operations;
- internet and intranet development and support; and
- strategic advice and guidance on the use of information and technology in support of programs and services.

Major Program and Service Initiatives 2011-12

Overall

Directorate will focus in 2011-12 on guiding the completion of major initiatives, supporting completion of the MGP processes, and preparing for transition to a new government. **Policy, Legislation and Communications** will continue to support department decision-making and communications functions.

Finance and Administration will continue to expand and improve the use of the new GNWT financial system, SAM. SAM is a management tool, and increased training and support to end users is planned to

allow them to make better use of this system. As well, the division will work with other departments on the preparation and implementation of the GNWT shared financial services and shared procurement initiatives. **Informatics** will focus on several major system enhancements.

Strategic Initiatives

A **Protected Areas Strategy analyst** position was created to enable the Dehcho regional office to coordinate, review and evaluate the creation of one or more new territorial parks in that region. ITI is now sponsoring the assessment of a proposed protected area near Jean Marie River, a process that will continue through 2011-12. Designation of this site would fulfil a GNWT commitment under the Protected Areas Strategy.

Four Year Business Plan Update

Results to Date

Policy, Legislation and Communications supported ITI involvement in the Joint Review Panel (JRP) and National Energy Board (NEB) processes for the MGP during this four-year period. Roughly 90 Cabinet-FMB submissions, 20 publications and 130 communication events were coordinated in 2009-10. An H1N1 plan was also completed in 2009-10.

Finance and Administration implemented SAM in 2009-10. This included the delivery of multiple training sessions throughout the department.

Informatics completed the development and implementation of the Environmental Assessment Tracking System, a GNWT-wide system to manage information and workload for environmental assessments. It also completed the analysis for a new Compliance Management System, which will be implemented in 2010-11. Lastly, it completed the Licensed Tourism Module for the licensing system used for issuing and tracking licences and permits (LISIN). This will support ITI business processes for the application and issuance of licences.

KEY ACTIVITY 2: MINERALS AND PETROLEUM RESOURCES

Description

The Minerals and Petroleum Resources activity consists of the Mackenzie Valley Pipeline Office (MVPO); Industrial Initiatives; and Minerals, Oil and Gas. Minerals, Oil and Gas includes the Northwest Territories Geoscience Office (NTGO), funded and managed jointly with the federal government.

Regional offices are available to ensure that businesses and entrepreneurs receive access to programs and resources, and to maximum benefits from any new developments in their area.

Industrial Initiatives leads the negotiation of GNWT socio-economic agreements (SEAs) with industry, and monitors industrial activities in coordination with communities and industry. In support of this effort, Industrial Initiatives provides and coordinates expert socio-economic impact analysis during the environmental assessment of non-renewable resource development projects in the NWT. Industrial Initiatives coordinates GNWT obligations to monitor implementation of SEAs, including the annual publication of reports required under the agreements. Industrial Initiatives also coordinates research in best practices, to facilitate NWT benefits from present and future industrial initiatives in the NWT.

The **MVPO** in Hay River coordinates GNWT planning and response related to the MGP, including the regulatory review and environmental assessment processes. The MVPO also manages funding programs to help NWT residents, Aboriginal groups and communities meet the opportunities and challenges that the MGP will provide.

Minerals, Oil and Gas develops and implements strategies to encourage and attract non-renewable resource development and is a source of information and expertise about existing and potential mineral and petroleum resources in the NWT.

Working in partnership with the Geological Survey of Canada and the Department of Indian and Northern Affairs Canada, the division maintains and staffs the Northwest Territories Geoscience Office (NTGO). That office is a multi-agency centre with the mandate to undertake quality geoscience studies in the NWT. It provides advice to individuals, communities, governments and industry in the following areas:

- regional bedrock mapping;
- mineral deposit studies;
- petroleum geology;
- mineral and petroleum resource assessments;
- GIS and remote sensing; and
- community outreach.

Minerals, Oil and Gas is responsible for negotiating agreements guaranteeing NWT manufacturers access to diamond rough produced by NWT mines and for ensuring implementation of those agreements. It manages the diamond certification program, which includes factory compliance audits and inspections. As well, it negotiates and administers agreements that license the use of GNWT diamond trademarks by NWT approved diamond manufacturers.

Industry, Tourism and Investment

Program and Service Initiatives 2011-12

Overall

ITI will continue to support the development of the MGP; engage in regulatory and land use initiatives and the negotiation and implementation of socio-economic agreements. ITI will continue to gather and analyze information for the purposes of advising NWT residents and in support of informed decision-making.

ITI will continue to support core functions that facilitate and enable mineral and petroleum resource development to achieve employment, business and value-added opportunities for NWT residents.

In 2011-12, Industrial Initiatives anticipates it will participate in environmental assessments for between three and five non-renewable resource development projects. Each of these environmental assessment processes may result in the need for Industrial Initiatives to lead negotiation of an SEA, depending on the facts of each case. Industrial Initiatives will continue to coordinate GNWT monitoring of implementation under the existing SEAs.

ITI will continue to seek long-term funding to support core functions of the NTGO. Current major NTGO initiatives include a number of mapping and sampling programs located in the Mackenzie Mountains, in the Great Bear Lake area, and on Victoria Island. In addition, NTGO will continue to enhance the NT GoMap web-GIS platform, the NORMIN database of mineral showings and related information, and the Gateway web application that is used to distribute NTGO publications and industry reports.

In 2011-12 Minerals, Oil and Gas anticipates it will promote NWT interests during the National Energy Board's investigation into Arctic safety and offshore drilling regulations. Minerals, Oil and Gas and Industrial Initiatives anticipate engaging in the Gahcho Kué, Prairie Creek, NICO and Yellowknife Gold Project and the Nechalacho Rare Earth Element Project environmental assessments. The Minerals, Oil and Gas division forecasts continued support for Ministerial promotion of the NWT's mineral and petroleum resources including: attendance at the Cordilleran Roundup and PDAC conferences, meetings in Washington DC, and the Houston Offshore Technology Conference.

ITI provides ongoing support to existing NWT diamond manufacturers, and has finalized a review and update of the 1999 GNWT Support to Diamond Manufacturing Policy Framework. ITI will implement the revised Policy Framework and continue to provide support to existing and emerging NWT diamond manufacturers. ITI anticipates increased efforts in marketing NWT diamonds.

Once Canadian Zinc Mines Ltd. (Prairie Creek) receives regulatory approval, the Dehcho regional office will work toward supporting business opportunities intended to maximize Northern participation and employment. This will be a priority task for the regional office.

Strategic Initiatives

The **MGP strategic investment** includes the NEB intervention, support for the socio-economic agreement, coordination of GNWT planning and communication efforts, and contribution support for the Aboriginal Pipeline Group and Aboriginal land claim organizations in the regions impacted by the proposed project.

The community engagement initiative has been implemented; interventions before the NEB and JRP are

completed; funding was provided to Aboriginal organizations and to the Aboriginal Pipeline Group; and negotiation of the SEA Transportation Sub-agreement has begun. The MVPO in Hay River continued its principle work function of coordinating and facilitating government-wide planning and results reporting on all GNWT activities related to the development of the MGP. This ensures that GNWT policy positions and programs in relation to the MGP are supported through coordinated GNWT actions and activities and external and internal communications.

The initiative to **Maximize Northern Residency** aims to maximize the number of mine employees who live in the NWT. Work on this initiative will include demographic analysis, assessment of communities' capacity to accommodate new residents, assessment of mine employee willingness to move to and live in the NWT, research on motivational triggers, and marketing. This work will also include assessment of issues that may inhibit residents from moving and remaining in the NWT, in order to develop strategies to reduce their impact. It will also involve liaising and collaborating with partners, such as industry and other levels of government. This initiative connects to the Northern Mining Workforce Initiative MOU, signed by the GNWT and the three NWT diamond mines in November, 2008.

Outputs from this initiative will include stabilization of NWT population, and then growth, which in turn will lead to an increase in the amount received by the GNWT under the Formula Financing Grant from the federal government.

The initiative to lead the negotiation of an **SEA for the De Beers Gahcho Kué Project** will allow the GNWT to provide technical socio-economic commentary to the Gahcho Kué Diamond Mine Environmental Impact Review Panel; ensure consistent GNWT socio-economic positions during the environmental impact review of this project; negotiate an SEA with the developer and Aboriginal organizations in the impact area; and provide support to other GNWT departments during negotiations.

Outputs from this initiative will be indicated by the number and percentage of Aboriginal and other NWT residents employed at the Gahcho Kué Diamond Mine; the number of Aboriginal and other NWT residents apprenticing at the mine; and the amount of goods and services purchased from Aboriginal and NWT businesses by the Gahcho Kué Diamond Mine.

Four Year Business Plan Update

Results to Date

Major activities of **Industrial Initiatives** since 2008-09 included ongoing implementation of the BHP, Diavik and Snap Lake SEAs, and negotiation and implementation of the Northern Mining Workforce Initiative Memorandum of Understanding (Workforce MOU). Each year, the division has led production of four reports required as part of the monitoring and implementation process under the SEAs. Regular contact with the three diamond mines and other partners and concerned parties is maintained, to encourage the best performance under the SEAs. Under the Workforce MOU, a survey was conducted to determine what motivates mine employees in their decisions about where to live, in the interests of enticing more of them to live in the NWT and to discourage existing residents from moving elsewhere. Results of the survey were made available to the public in February 2010. Industrial Initiatives has also contributed its technical socio-economic expertise to several NWT environmental assessments. Industrial Initiatives provided support on the MGP Environmental Impact Review as needed.

Major activities of the **MVPO** since 2008-09 included coordinating the GNWT intervention before the NEB; ongoing financial support for the Aboriginal Pipeline Group; ongoing contribution funding for Aboriginal organizations for capacity-building; and planning for induced development. Major activities of the Office in 2009-10 included preparation for release of the JRP report and participation in the

development of the Governments Response to that Report. A Community Engagement initiative was implemented by the MVPO in 2009-10 with the assistance of ITI's regional petroleum officers. Work also continued on the completion of the negotiations on SEA Transportation and Health and Social Services Sub-Agreements.

The MVPO provided financial support to the Dehcho First Nation for the negotiation of its Access and Benefits Agreements, and assisted the Gwich'in Tribal Council to develop a protocol for the issuance of petroleum exploration rights on their sub-surface owned lands. It updated an analysis of the potential for value-added and secondary industries related to the MGP and conducted a detailed investigation of the economics of converting three NWT communities to natural gas for heating and power generation.

Since 2008-09, the **Minerals, Oil and Gas Division** has updated the diamond mine economic models, written a pilot economic model for oil and gas production and collected basic input data for this model; updated economic models of mines and mineral exploration projects; and provided input into four environmental assessments. Support was provided for the development of a GNWT position on the establishment of three national parks and three regional land use plans. Input was also provided into the review of several regulatory initiatives, such as the Northern Offshore Regulatory Review and the Northern Regulatory Improvement Initiative. ITI led the GNWT intervention before the Alberta Energy and Utilities Board – Natural Gas Liquids Inquiry, the GNWT intervention before the NEB – TransCanada Application and the GNWT Intervention before the NEB – MGP. The division continued to work with Imperial Oil's Norman Wells operation to maximize benefits from that operation. The division provided support to several Ministerial actions to promote mineral and petroleum resources in the NWT, including the Houston Offshore Technology annual conference and meetings with politicians in Washington, D.C. The Diamond Monitoring and Certification System (DMACS) database was completed and implemented in 2009-10. Minerals, Oil and Gas completed a review of the 1999 GNWT Support to Diamond Manufacturing Policy Framework. GNWT inspections of the De Beers Snap Lake mine rough and valuation process continued. GNWT monitoring of facilitated rough for the HRA Crossworks Limited manufacturer continued.

The NTGO has made significant progress in new geological mapping, a regional geochemical survey, mineral showings studies, provision of outreach services, and ongoing development of web-based information services. The latter included four field mapping projects; a major geochemical reconnaissance program continued in the Sahtu region; assessment of the mineral resource potential of several candidate protected areas; gold-focused field research in the greenstone belt north of Yellowknife; and ongoing improvements to the NT GoMap web application for discovery and download of NWT geoscience information. A study of the unconventional natural gas potential of the NWT was also completed. Much of the geosciences work involves partnerships with university and other participants.

Measures Reporting

Indicator		Number (2009-10)
1.	Ministerial engagements supported	70
2.	Engagement with public, industry, governments and other organizations	115
3.	Land use and regulatory initiatives	16
4.	Diamond certificates issued	3,955
5.	Agreements being implemented / negotiated	15
6.	Geoscience products distributed or downloaded	7,436
7.	Publications / conference extracts produced	29

KEY ACTIVITY 3: ENERGY

Description

The **Energy Planning** division coordinates the GNWT's overall energy planning and policy development, including the advancement of hydro initiatives in the NWT. It also coordinates public consultation and communications related to energy planning and policy development, and provides secretariat services to the Ministerial Energy Coordinating Committee (MECC).

Program and Service Initiatives 2011-12

Overall

The NWT Energy Report, planned for release in early 2011, will provide an overview of NWT energy resource potential, an environmental scan of energy challenges and opportunities in the NWT, and a report on the results of the many energy projects, programs and initiatives undertaken during the 16th Legislative Assembly. This document will set the stage for the major undertaking of 2011-12; the development of a **renewed NWT Energy Plan**. Similar to the approach reflected in the 2007 Energy Plan, this renewed plan will outline GNWT energy priorities for 2011-12 and beyond.

Strategic Initiatives

The GNWT Energy Priorities Framework provided the basis for a multi-year $60 million government-wide investment in energy programs and projects. 2011-12 represents year three of this plan. Initiatives funded through the Department of ITI are described below.

Through the NWT Hydro Strategy, work continues on gathering the baseline data required to prepare for future **hydro development in the NWT**, including the establishment of water monitoring stations. This work is led by the Northwest Territories Energy Corporation (NTEC). Over the next two years, NT Hydro will be working to collect information to characterize and assess the hydro potential of the NWT. This information will allow NT Hydro to prioritize hydro sites for further study and development. This phase of work requires both environmental and hydrological technical work. Once desktop analysis has been completed, environmental baseline programs need to be conducted. Baseline data is needed for fisheries, water quality, wildlife, soils and vegetation disciplines.

Under the auspices of the Hydro Strategy, work continues on four specific projects: Łutselk'e mini-hydro facility; Whati mini hydro / transmission line; Sahtu hydro assessment; and in-stream hydro power. Each of these projects are outlined below.

The **Łutselk'e mini-hydro** project involves the construction of a one megawatt (MW) mini-hydro facility. The project has the support of the community and would require roughly six kilometres (km) of new road, minor upgrades to an existing 12 km road and a 17 km transmission line to supply hydro power to the community. The project will eliminate diesel generation as the primary power source in Łutselk'e and provide commercial space heating. A decision to construct this project would be made in 2010-11. The project would be the first stand-alone mini-hydro facility in the NWT and a concrete example of a sustainable, clean energy project. The project will reduce greenhouse gas emissions by 1,900 tonnes annually by displacing 750,000 litres of diesel fuel.

The proposed Whati **mini-hydro** is a one MW mini-hydro facility for the community of Whati. NTEC has been working with the Community Government of Whati on this proposal. Concurrently, and in

collaboration with the community and NTEC, the Tłı̨chǫ Investment Corporation is undertaking pre-feasibility work for a 13 MW facility that could both serve the community and meet future electricity demand in the North Slave region. Moving forward with this work will depend upon the land use plan being developed in the Tłı̨chǫ region and future discussions with the Tłı̨chǫ government.

ITI and NTEC are working with communities in the Sahtu region to undertake a proposed **Sahtu hydro assessment** study. This work includes collecting hydrological and environmental baseline information and will involve a regional working group. Results will include the identification of specific hydro sites.

Through the Northwest Territories Power Corporation (NTPC), an **in-stream (hydrokinetic) turbine** has been installed at Fort Simpson. While the project has experienced some technical difficulties, proposed work would continue to examine the feasibility of expanding the use of this technology in the NWT.

Expansion of residual heat created from thermal electric generators is another project planned to be undertaken through NTPC. A project in Fort Liard would be completed in 2010 and another project in Inuvik would be completed in 2011.

Four Year Business Plan Update

Results to Date

Energy Planning continues to support the Ministerial Energy Coordinating Committee in the development of GNWT energy policy and planning initiatives to support the vision, goals and priorities of the 16th Legislative Assembly. Energy Planning also continues to coordinate energy projects and programs across government. The GNWT Energy Priorities Framework builds on the 2007 GNWT Energy Plan and identifies GNWT energy priorities over the coming years. ITI leads the development of several major policy and planning initiatives including the Electricity Review, the NWT Hydro Strategy, results reporting and, in 2011-12, a renewal of the 2007 Energy Plan.

In May 2010 the GNWT released *Efficient, Affordable and Equitable: Creating a Brighter Future for the Northwest Territories Electricity System.* This report (the Electricity Review) contains 19 actions that will be implemented during a two-year transition period. A key principle of this report is a comparable level of access to affordable electricity in every NWT community.

Measures Reporting

Indicator		Number (2009-10)
1.	Ministerial functions supported (i.e., Ministerial Energy Coordinating Committee, ITI, Public Utilities Board, NTPC)	4
2.	Ministerial Energy Coordinating Committee meetings supported	14
3.	Contribution agreements	8 agreements, $6.67 million
4.	Publications produced	2

KEY ACTIVITY 4: TOURISM AND PARKS

Description

ITI develops and implements NWT tourism strategies with partners in the tourism industry. The Tourism and Parks division provides support for tourism marketing, and conducts research, training, planning and product development.

The division, along with ITI's regional offices, develops, operates and maintains public tourism facilities, including a system of NWT parks that support and promote tourism.

Major Program and Service Initiatives 2011-12

Overall

Core work will continue, enhanced by funding for specific strategic initiatives. This entails, for example, the enhancement and expansion of current park initiatives, including a parks marketing strategy and numerous repair initiatives. Ongoing collaboration with the NWT's destination marketing organization to build the tourism sector will also continue. Based on consultation carried out in 2009-10, ITI will draft an action plan that defines the department role in promoting Aboriginal tourism and will develop an Aboriginal Tourism Engagement Strategy.

Strategic Initiatives

The **sport hunt marketing program** is intended to support initiatives by the barren ground caribou and polar bear outfitters to diversify their markets, develop new products, and maintain existing facilities and in some cases wind down their businesses. In 2009-10 funding was provided to sport hunt operators in the Inuvik and North Slave regions. In the North Slave region operators were affected by the caribou tag reduction, while in the Inuvik region they were affected by the ban on the import of polar bear hides into the US. North Slave funding was provided to the Barren Ground Caribou Outfitters Association for marketing activities including web site development and an amount was split equally between operators for individual marketing efforts. In the Inuvik region, funds were used to develop business plans for outfitters. In 2010-11 the program will be expanded to include training, business wind-down, care and maintenance of existing facilities, acquisition of assets to use in the development of alternate tourism products, and marketing. If approved, the program will remain in place for the 2011-12 fiscal year.

Educational travel is steadily increasing and tourists are demanding more and more experiential and learning products. Work continues on the **cultural interpretation program** to improve the park experience through the development of more interpretive, educational and cultural programs in NWT parks. Visitors will be encouraged to stay longer and explore communities and attractions in the region.

Numerous projects involving **cultural interpretation at parks** have been developed for a number of parks across the territory. These include the development of pamphlets for children; a tepee with live interpretation at Fred Henne; Parks Day demonstrations in partnership with Parks Canada; a workshop to engage youth in interpretation in the Dehcho; the Walk a Mile in My Moccasins program; and a partnership with the Northern Lights Museum. Work with the community of Déljne towards a proposal for interpretive signs for the Déljne Walking Trail is continuing, as well as further development of children's interpretive products.

The parks renewal strategic initiative involves maintenance of and enhancements to parks, to improve and lengthen the visitation experience. Funds have been used for maintaining beaches and fire pits, playground equipment, repairing infrastructure, and for other maintenance and enhancements to improve the visitor's experience.

The **Tourism Product Diversification and Marketing (TPDM) Program** will continue to assist tourism businesses to develop new tourism products in response to market opportunities, and diversify the product base of individual businesses and the industry as a whole. Since 2007-08, ITI has distributed more than $4 million in assistance to tourism businesses. In 2009-10, ITI contributed $1.45 million to 18 businesses and organizations under this program. This funding has allowed the development of new tourism products in response to market opportunities, and diversification of the product base of individual businesses and the industry as a whole.

The new ***Tourism 2015*** plan is an **extension of *Tourism 2010*** and will continue its focus on key areas — marketing, research, capacity-building, industry development, infrastructure. It will continue the investment in a diversified range of NWT tourism products, with a special focus on Aboriginal tourism. Funds are intended to provide benefits on an industry, regional and community scale and are not intended for individual business support. In 2010-11, the plan will be developed based on consultation with industry and key stakeholders. The proposed new five-year plan would begin on April 1, 2011. Expected outcomes of *Tourism 2015* are an increase in total visitor spending, more diversified regional economies, and enhanced infrastructure in each of the five NWT regions. Outputs will include annual marketing campaigns, workshops, and infrastructure projects in each region.

The successful ***Tourism 2010*** plan focused on marketing, training, product development, infrastructure, and research. NWT Tourism used its marketing funds to partner with the Canadian Tourism Commission and German and Japanese wholesalers, to market the NWT. This allowed the department to leverage partnership funding over the four-year period of more than $3 million. A focus on training allowed the Northern Learning Institute to be contracted to deliver tourism training to the industry. More than 300 participants received training in hospitality, product pricing and hospitality, marine safety, and tourism operations. It also allowed two curriculums, a tourism awareness package for students, and a tourism handbook to be developed. Over the past four years, the Product Development Program funded product pricing and packaging workshops in Inuvik, Norman Wells, Yellowknife and Hay River, and tourism industry roundtables in all regional centres of the NWT. As well, the program funded specific sector workshops on the aurora, angling and outdoor adventure markets. The Product Development Program also produced a number of tools and studies targeted for industry, such as *A Strategic Overview of Current Markets for the NWT* and *Outdoor Adventure Supply Side Analysis*. ***Tourism 2010***'s focus on infrastructure allowed several projects to be funded in the last four fiscal years. These included projects such as restoration of the Roman Catholic Rectory in Fort Simpson, conference facilities in Inuvik, and infrastructure at the Jackfish Lake Park in Norman Wells. Research funded under ***Tourism 2010*** also allowed ITI to complete various tourism research projects and reports in 2009-10. These included studies such as *Attitudes of Canadian Immigrants Toward Parks and Camping* and the *Annual Business Traveller Survey* for 2009. The results of surveys conducted for the 2009 year will be released in 2010.

Four Year Business Plan Update

Results to Date

The department reviewed options for the future of the Tourist Deposit Assurance Program under the *Tourism Act*. As recommended by the tourism industry, the department is now in the process of removing the Assurance Program from the Act. ITI completed amendments to the *Territorial Parks Regulations*, as well. The regulatory amendments will make the permitting system more streamlined and easier to

administrate. Changes to the regulations were also implemented based on public consultation. Those included fee increases, changes to extended stay camping, and changes to the on-line reservation system. ITI headquarters and regional staff continue to look for additional opportunities for improvement to the *Territorial Parks Regulations*.

ITI's destination marketing organization, NWT Tourism, along with counterparts from Nunavut and the Yukon, has partnered with the Canadian Tourism Commission in a cost sharing agreement to increase tourism opportunities in the North. The three territories are also partnering on a joint proposal they will submit to CanNor (the Canadian Northern Economic Development Agency) for multi-year funding in support of a campaign in southern Canada to promote the three territories as visitor destinations. In 2011-12 the funding proposal will go forward and, if successful, will be launched in January 2011 and continue until 2014.

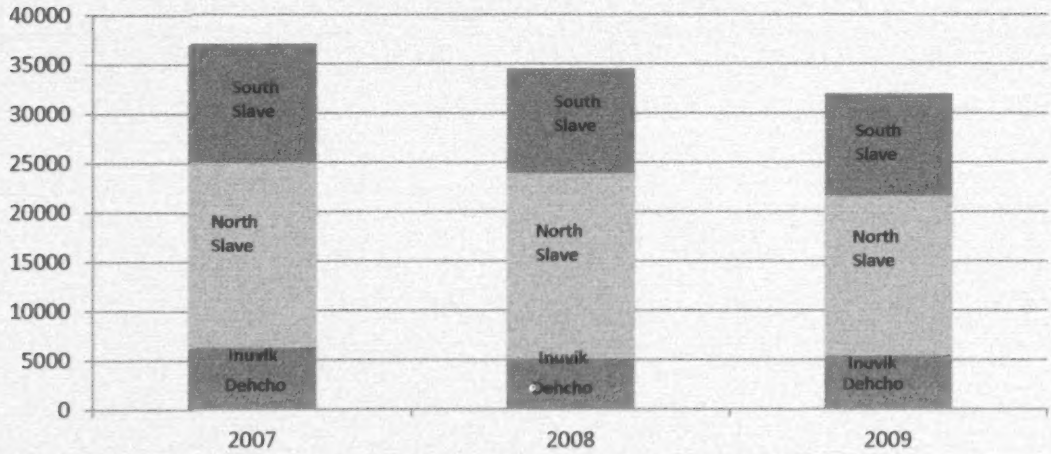
In 2009-10, ITI launched and/or completed several initiatives to renew the value of our parks system as a tourism asset. This included creating a series of standard blueprints for park facilities, to save money on design work and to provide consistency throughout the system. ITI also developed a "GNWT Parks Planning Manual" as part of this work, to ensure clear, consistent, and publically accountable management of NWT parks.

ITI had the lead role in the creation and operation — in collaboration with the Nunavut territorial government — of the NWT's official venue at the 2010 Olympic and Paralympics Games in Vancouver. Canada's Northern House operated before and during the Games as a visitor centre, performance venue, media centre, art gallery, retail space, reception, and meeting space. The pavilion was highly successful, attracting approximately 215,000 visitors and receiving very favourable media reviews.

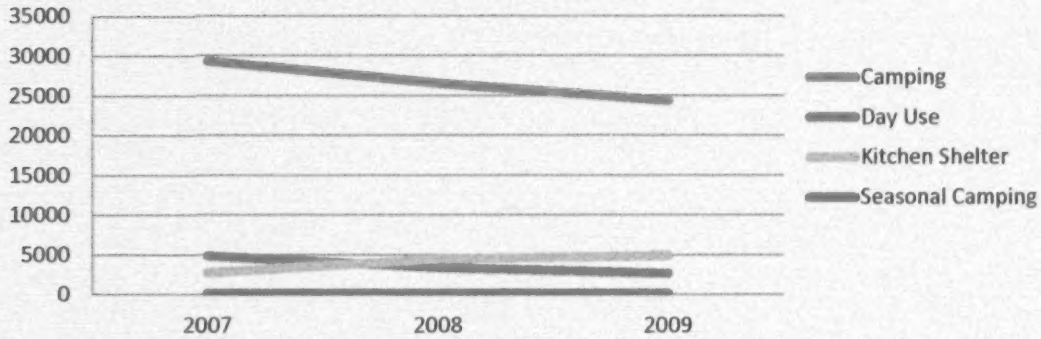
Measures Reporting

	Indicator	Number (2009-10)
1.	Tourism products created or expanded	18 businesses and organizations, $1.45 million
2.	New tourism attractions created/expanded	3
3.	Research projects and reports completed	5
4.	Training courses	6 courses, 78 participants
5.	Park visits	31,998

Total Park Visits by Region



Total Park Visits by Type of Permit



KEY ACTIVITY 5: ECONOMIC DIVERSIFICATION AND BUSINESS SUPPORT

Description

ITI encourages investment in the NWT by providing economic analysis, and regional market and economic data for both business and government. It supports informed decision-making by providing economic data, market intelligence, sector information, and opportunity studies. In conjunction with the NWT Business Development Investment Corporation (BDIC) and Community Futures Development Corporations, ITI provides business advice and access to investment capital. These activities are delivered through the **Investment and Economic Analysis division** and **regional offices**, the NWT BDIC, and Community Futures organizations. ITI regional offices supply program guidance, support, advice, and assistance at the community level. Regional representatives are experienced, knowledgeable and well networked with organizations, financial institutions, and government departments and agencies. The department works with business associations such as the NWT Chamber of Commerce and the NWT Construction Association, as well as with professional associations, to promote the NWT as a place to invest and live.

The **Investment and Economic Analysis division** leads the development of programs and initiatives in support of the NWT's traditional and renewable economy. Specific programs support arts and fine crafts, agriculture, fisheries, trapping and commercial game harvesting. Staff in regional offices, and one headquarters position in Hay River, implement this traditional economy programming.

This division is the GNWT lead on trade matters. It is also responsible for the GNWT Business Incentive Policy (BIP) and the GNWT Contracts Registry, which promote new business opportunities for contracting with the GNWT. An MOU on government contracting is maintained with the Sahtu Secretariat Incorporated.

Program and Service Initiatives 2011-12

Overall

SEED is the main contributions vehicle through which ITI provides contributions to small- and medium-size businesses. Contributions are provided for business start-up, improving capacity or skills, equipment, or helping small communities to expand their economies.

Operational funding for community economic development officers and for Community Futures organizations is ongoing.

A significant focus of this activity is the traditional economy. Programs to **enhance agriculture** are designed to support small commercial venture opportunities. Expansion of commercial operations is encouraged to include egg production, syrup production, floriculture, livestock, and niche crops where feasible. The division will continue the marketing of the Genuine Mackenzie Valley Fur Program (GMVF) and support programs aimed at assisting trappers in all communities.

Take A Kid Trapping programming will also continue, with a goal of building new partnerships and securing increased financial participation from those partners to address increased demand. Other objectives of this program include consolidating Local Wildlife Committee and Community Harvesters Assistance Programs to increase and acknowledge community priorities and decision-making; and

encouraging the submission of outstanding proposals to the Western Harvesters Assistance Program.

In 2011-12 **Investment and Economic Analysis** will continue actively working to improve the economic climate in the NWT. For example, it will continue secretariat support to the Minister's Advisory Panel. That panel represents industry associations, social non-government organizations and Chambers of Commerce, and was formed to provide regular dialogue to the Minister of ITI regarding matters relating to the economy.

ITI will also continue to work with communities and business associations to extend the implementation of BizPaL. The BizPaL site provides a one-stop shop for identifying all permits and licences required to operate a business in communities in the NWT. BizPaL targets small businesses in the pre-start-up and start-up stages. It is estimated that small and medium enterprises (SMEs) — i.e., those with fewer than 50 employees — comprise 95 percent of Canadian businesses. In addition to general programming, the department also supports trade shows like "Start Your Engines" in Hay River, the "Construction North of 60" trade show, and "Meet the North." As well, ITI works with business associations to promote investment and trade through venues such as the "InvestNWT" website.

Avalon Rare Metals Inc. is considering locating a mineral processing plant in the NWT, and this presents an exciting new opportunity. The location of the plant in the NWT would provide direct and indirect benefits to the NWT, and allow for development of other value-added industries. The department is working with communities, CanNor and industry to make this a reality. While the challenges are significant, this represents an unparalleled opportunity to introduce a new industry to the NWT.

Strategic Initiatives

An **enhancement to the new SEED Policy** is proposed, part of which will be for dedicated NWT film industry support. SEED, which is fully subscribed, addresses a variety of business needs and provides the opportunity to provide enhanced support to priority sectors. SEED contribution funding is delivered primarily through regional ITI offices and is paid based on applications made under the various program elements. SEED supports the development of sustainable local economies through small businesses and community-based sectors such as tourism, agriculture, arts and crafts, and the traditional economy. Expected outputs include increased diversification of community economies and increased activity in the NWT film industry sector.

The **Falcon broadband network** is an initiative designed to make high speed Internet access available to most communities. The territorial internet network installed in 2005 by Falcon Communications Ltd. (Falcon) could not deal with demand. To build needed capacity, Falcon obtained an additional $14.8 million in capital funding for satellite capacity through Infrastructure Canada. ITI provides contributions to assist the provider with management costs related to upgrading the broadband network throughout the NWT. Funding will ensure that critical technology infrastructure remains viable, that community service provider jobs (present in 31 communities) remain in place, and that northern residents and businesses have affordable access to broadband communications technologies.

Additional **Economic Development Officer (EDO)** positions are proposed, to expand community delivery. Starting in 2011-12, a full-time position would be created in Ulukhaktok and a half-time position established in each of Łutselk'e and Fort Simpson. The Fort Simpson position would serve four communities in the Dehcho region (Jean Marie River, Wrigley, Trout Lake and Nahanni Butte).

The current focus of the **National Marketing Campaign** is an awareness strategy, campaign and tactical plan to promote the NWT as a great place to live and work. Significant interest exists in the NWT as shown by the 215,000 people who visited Canada's Northern House at the 2010 Winter Olympic and

Paralympic Games. Research on how to market living in the NWT is complete. Target audiences have been identified, both geographically and in terms of population sets. The campaign is based on individual stories and has received strong buy-in, particularly from business, professional and community associations and the private sector, with the GNWT now having 48 partners in this initiative. This campaign was formally launched in north/central Ontario in April 2010. The comemakeyourmark.ca website was also launched at the same time. In 2011-12, the Campaign will be launched in target markets that have not yet been reached.

The **promote NWT artists** initiative will increase the economic impact and production of arts products in the NWT and maximize the delivery of programs and services to NWT artists by implementing identified items in the NWT Arts Strategy. This includes further development of the NWT artists' database, promotion of the NWT Arts Branding Logo, and implementation of a marketing plan geared at promoting NWT arts products nationally and internationally.

The **promote arts and crafts production** initiative is to promote participation in the visual arts sector by offering training to artists on various topics, and providing some additional funding through the SEED for artists to purchase art and fine craft supplies. Training and funding are delivered through ITI regional offices.

Funds are being requested to cover costs associated with the NWT chairing the **national committee on the Agreement on Internal Trade** and hosting a Committee on Internal Trade meeting in 2012. In addition to completing the obligations of chairing this committee, outputs will include a report to the Council of the Federation.

New funding to **promote and support commercial harvesting, processing and marketing of fish and meat in the NWT** will go toward supporting the distribution and sale of NWT-harvested meat and fish in local markets. In addition, ITI proposes to create a position in the South Slave region to support development of the renewable resource economy. The aim of this program is to increase availability of locally-produced, healthy food in NWT communities.

Measures of success will be readily evident: more locally-harvested fish products sold in local markets; local produce, expanded gardens, more local jams and preserves, local eggs, and so on.

The aim of the **agriculture development infrastructure** program is also to replace expensive imported products with locally-produced food. By the end of March 2011, ITI expects 30 communities in the NWT will be engaged in the production of agricultural produce. Production in all communities could be augmented by the investment of new capital. This initiative provides financial support for things such as greenhouses and community and commercial farm lots, as well as fertilizer, seed and soil for existing operations. Additional funds in 2011-12 will be used to support community agriculture initiatives and to explore and implement new technologies and practices that can increase crop yields.

ITI provides funding in collaboration with the Department of Municipal and Community Affairs (MACA) for **Take A Kid Trapping** initiatives. The Take A Kid Trapping program provides funding to youth organizations such as schools for on-the-land, hands-on learning opportunities related to traditional activities. Events funded through this program introduce youth to traditional lifestyles in the expectation that some will continue these activities when they are adults. Events have been delivered to over 4,000 school age youth throughout the NWT since the start of the program in 2002. Committees consisting of ITI, ENR and MACA staff are established in each region to review proposals and allocate funds. 40 projects were completed in 2009-10, with 1,434 youth enrolled in program events. Through funding from the Canada-NWT Bilateral Agreement ("Growing Forward"), Take A Kid Trapping will be expanded to include events about harvesting and processing food from the land.

Four Year Business Plan Update

Results to Date

Support to Entrepreneurs and Economic Development (SEED) programs are being well received; the Policy was once again oversubscribed in 2009/10 with total disbursements totaling $3.3 million. In addition to SEED contributions, total allocations made in 2009-10 under the Community Transfers Initiative were $1.148 million. This money was distributed to fourteen communities.

The BIP Monitoring Office administers the Business Incentive Policy on behalf of all departments and applicable agencies. A BIP registry and website is maintained that provides a list of approximately 1,200 approved northern businesses. In 2009, public consultation was undertaken on four proposed changes to the BIP and it is anticipated the revisions will be implemented in 2010.

Working with the Canadian Northern Economic Development Agency (CanNor), in 2009-10 ITI supported the Metal Mining Opportunities Conference in Dettah. Approximately 200 delegates and presenters participated, from as far away as Australia. Copies of the conference report are available on the ITI website.

The department continued to support GNWT participation in the Pacific Northwest Economic Region (PNWER). This is a public-private partnership of several US and Canadian jurisdictions in the Pacific Northwest. PNWER is recognized by both the United States and Canada as a model for regional and bi-national cooperation because of its proven success.

A major undertaking of the Investment and Economic Analysis division in 2009-10 was the planning and implementation of programming at Canada's Northern House. Events that supported the themes of living and investing in the NWT highlighted NWT diamonds, fur and arts.

ITI continues to provide support to 252 artists and 65 organizations registered with the department's NWT arts database. The department also provides support to the arts industry through information sessions and workshops. The NWT Arts Branding Logo is an ongoing initiative that includes 149 artists and 41 organizations. In addition to arts branding, ITI continues to work with the NWT Chamber of Commerce to promote NWT manufacturing. The Chamber manages the 'Made in the NWT' program and approves products for registration. Interest and engagement by the private sector has been high.

ITI continues to make investments aimed at developing and enhancing production and increasing market access to local food production throughout the NWT. Through the Canada-NWT Growing Forward Agreement, community garden facilities have been developed in 27 communities. The department has undertaken a marketing and promotions program aimed at increasing awareness and accessibility of northern fish for northern wholesale, retail and food service sectors. Finally, working closely with the Egg Producers Board, the regulated egg marketing industry in the NWT is being revitalized.

Fur markets in Canada and abroad faced substantial declines in market prices as a result of the unprecedented downturn witnessed in international banking and financial sectors. Trappers in the NWT witnessed declines as well, but not quite as steep as those seen elsewhere. This was due in large measure to the guaranteed prices offered by the Genuine Mackenzie Valley Fur (GMVF) Program. The GMVF Program, in collaboration with partners, is looking at making new investments to better secure existing markets and seek out new markets in geographic locations where emerging wealth is driving economic growth. Through these investments, GMVF hopes to raise its profile as a supplier of some of the highest quality wild fur in the world. Here in the NWT, the GMVF program was expanded to assist craft

producers in accessing affordable fur pelts. Through this new procurement program the entire NWT seal harvest from Beaufort communities was re-directed back into the craft market. The program was expanded to include 100 beaver pelts to test interest, and demand was significant. A new program, cost-shared through the Canada-NWT Growing Forward Agreement, sees the creation of the Take a Kid Harvesting program.

The Investment and Economic Analysis division actively contributed to national efforts to resolve a number of trade agreements. Under the Agreement on Internal Trade (AIT), negotiations were concluded to add a chapter on agriculture. AIT chapters on dispute resolution and labour mobility were also amended to improve the flow of goods, services and people within Canada. The division was directly involved in successful negotiation of the Canada-United States Procurement Agreement (CUSPA) that helped to shield Canadian suppliers from "Buy American" clauses in the American stimulus package. It is also directly involved with negotiation of the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), which will remove many barriers to trade with the European Union.

Measures Reporting

Indicator		Number (2009-10)
1.	SEED contributions	737
2.	Surveys and publications	32
3.	Workshops / seminars provided	92
4.	BIP and Manufacturing Directive applications	84
5.	Trappers, prime fur bonus	714 trappers, $142,000 prime fur bonus paid
6.	Take A Kid Trapping projects	40
7.	Small scale food projects	27

c) Infrastructure Investments

Activity to Date

Major infrastructure projects that ITI undertook during the 2008-09, 2009-10, and 2010-11 fiscal years are listed below.

Large Capital:

- Significant capital investment in the Doi T'oh Territorial Park and CANOL Heritage Trail has been deferred until the land transfer for the park from the federal government to the GNWT occurs. This transfer is at least five years down the road, due to issues around assessment and clean-up of contaminated sites in the area of the proposed park.
- The new 60th Parallel Visitor Information Centre is almost completed, with significant amenity improvements as well as significant upgrades to the cultural interpretation displays and signage. Work is slated to continue until 2011-12, with a warranty year to ensure the building is functioning properly.

Small Capital:

A number of small capital projects for parks and campgrounds have been completed. These projects deal primarily with improvements to buildings (such as kitchen shelters, shower buildings, and washrooms), expansion of campsite loops, and access road and safety upgrades. These included:

- Fred Henne Territorial Park entrance and signage improvements;
- Queen Elizabeth Park road reconstruction;
- Jak Park recreational facilities;
- Kakisa trail reconstruction to the Falls;
- Fort Simpson Park site and road improvements;
- Twin Falls trail system and loop construction;
- Reid Lake Territorial Park shower building construction;
- Sambaa Deh Gorge viewpoint construction;
- Prelude Lake Park shower building construction.

Federal Stimulus Package:

ITI submitted applications and received funding from the federal government's stimulus package for the following projects:

- construction of a trail from the community of Enterprise to Twin Falls Territorial Park;
- a kitchen shelter at North Arm Territorial Park; and
- trail development in the North Slave region.

Planned Activities – 2011-12

Large Capital:

- No large capital projects are planned.

Small Capital:

Tourism and Parks has planned several small capital projects that primarily deal with visitor safety, protection of assets and parks aesthetics, including:

- completion of the 60th Parallel Visitor Information Centre (South Slave region);
- new washroom at the Fred Henne Park beach day use area (North Slave region);
- powered sites for the Twin Falls Gorge Park (South Slave region);

- exterior landscaping and interior displays for the 60th Parallel Visitor Information Centre (South Slave region);
- Little Buffalo River bridge construction (South Slave region);
- Fort Simpson Park road repairs (Dehcho region);
- planning for future development of the CANOL Heritage Trail (Sahtu region).
- trail improvements to the Jak Park hiking trails (Inuvik region);
- boat slipway – Gwich'in Park (Inuvik region);

d) Legislative Initiatives

Activity to Date

In spring 2010, ITI proposed removing references to the Tourist Deposit Assurance Program from the *Tourism Act*. This Bill received second reading and is expected to come into effect after the fall 2010 sitting of the legislature.

Planned Activities – 2011-12

ITI will work with the Department of Justice on amendments to the NWT *Cooperative Associations Act*. Discussions with Arctic Cooperatives Limited and other affected or interested parties will conclude in 2011, with a view to introducing legislation in 2012.

e) Human Resources

Overall Human Resource Statistics

Beginning in 2010, ITI numbers no longer include the BDIC.

All Employees

	2010	%	2009	%	2008	%	2007	%
Total	148	100	158	100	192	100	175	100
Indigenous Employees	71	48	80	51	98	51	94	54
Aboriginal	48	32	48	30	58	30	52	30
Non-Aboriginal	23	16	32	21	40	21	42	24
Non-Indigenous Employees	77	52	78	49	94	49	81	46

Note: Information as of March 31 each year.

Senior Management Employees

	2010	%	2009	%	2008	%	2007	%
Total	14	100	18	100	23	100	21	100
Indigenous Employees	6	35	7	39	8	35	8	38
Aboriginal	1	6	1	5	1	4	1	5
Non-Aboriginal	5	29	6	33	7	30	7	33
Non-Indigenous Employees	8	65	11	61	15	65	13	62
Male	10	82	15	83	19	83	17	81
Female	4	18	3	17	4	17	4	19

Note: Information as of March 31 each year.

Non-Traditional Occupations

	2010	%	2009	%	2008	%	2007	%
Total	7	100	6	100	30	100	23	100
Female	1	14	1	17	8	27	6	26
Male	6	86	5	83	22	73	17	74

Note: Information as of March 31 each year.

Employees with Disabilities

	2010	%	2009	%	2008	%	2007	%
Total	0	0	0	0	1	0	0	0

Note: Information as of March 31 each year.

Position Reconciliation

This information differs from the employee information on the preceding page; human resource information reflects actual employees as of March 31 each year. The information presented below reflects position expenditures approved through the budget process for each fiscal year.

Active Positions

Summary:

	2010-11 Main Estimates	Change	2011-12 Business Plan
Total	166	9	175
Indeterminate full-time	153	4	157
Indeterminate part-time	-	3	3
Seasonal	13	2	15

Position	Community	Region	Added/ Deleted	Explanation
Industrial Initiatives Analyst	Yellowknife	HQ	Added	Strategic Initiative 3 Yr Term
Admin. Asst./Researcher	Yellowknife	HQ	Added	Internal Reallocation
Parks Officer	Yellowknife	North Slave	2 Added	Forced Growth
Business Dev. Officer	Yellowknife	North Slave	Added	Forced Growth
Economic Dev. Officer	Lutsel K'e	North Slave	Added	Strategic Initiative
Economic Dev. Officer	Ft. Simpson	Deh Cho	Added	Strategic Initiative
Economic Dev. Officer	Ulukhaktok	Inuvik	Added	Strategic Initiative
Trad. Econ. Dev. Officer	Hay River	South Slave	Added	Strategic Initiative

Other Human Resource Information

One of the stated priorities of the Legislative Assembly is to "improve human resource management within the GNWT through training, career planning, and encouraging innovation by employees." To address this priority, the Department of Human Resources has launched a long-term human resources strategy for the public service entitled, *20/20: A Brilliant North*. Among other initiatives, this strategy provides a framework for the development of departmental human resource plans, including succession plans and affirmative action plans.

The tables below indicate statistics on departmental human resource activities with respect to summer students, interns and transfer assignments for 2010. The information is current as of July 1, 2010.

Summer Students				
Total Students	Indigenous Employees (Aboriginal + Non Aboriginal	Indigenous Aboriginal	Indigenous Non-Aboriginal	Non-Indigenous
31	31	16	15	0

Interns				
Total Interns	Indigenous Employees (Aboriginal + Non Aboriginal	Indigenous Aboriginal	Indigenous Non-Aboriginal	Non-Indigenous
1	1	0	1	0

Transfer Assignments				
Total Transfer Assignments	Indigenous Employees (Aboriginal + Non Aboriginal	Indigenous Aboriginal	Indigenous Non-Aboriginal	Non-Indigenous
16	7	4	3	9

Activities Associated with Staff Training & Development

ITI is committed to enabling its employees to deliver quality service. Annual practitioners' conferences are arranged for staff engaged in tourism activities and financial administration. The Investment and Economic Analysis division and BDIC partner with CanNor to offer the Northern Economic Development Practitioners conferences on alternate years. These are open to all economic development practitioners in the NWT. Additional training is made available in other years.

The department has developed core competencies for economic development positions and a procedural handbook. Training and professional certification has been coordinated through the "Economic Development Certification" program of the University of Waterloo. Courses are by distance learning with training sessions in the NWT. This is an accredited university certification. That training is complemented by an area economic development officer website that provides key reference material to guide staff in carrying out their work. To ensure that parks officers are able to carry out their functions safely and effectively, all parks officers must take a core set of courses. Each year's new cadre of officers receives this training at the start of the summer parks season. In addition to this division-specific training, the Informatics division holds regular training sessions on records management.

Several employees in the department are participating in the GNWT-wide training program for emerging, middle, and executive managers. Development opportunities are also provided through transfer assignments in the department.

f) Information Systems and Management

Overview

Through the establishment of a shared services informatics division, the departments of ITI and ENR share information management resources. This approach allows for increased synergies between the two departments' systems and encourages collaboration on initiatives. To date, this approach has been successful and has resulted in multi-department system platforms such as LISIN and the Environmental Assessment and Tracking System.

The following table lists the major information systems and applications that support ITI activities.

System Name	System Description
Arts and crafts database	This web-based database tracks and catalogues northern artists and their crafts, in support of the arts and crafts sector.
BIP registry	Registry of approved northern businesses under the Business Incentive Policy.
CRRS	Contract Registry and Reporting System — multi-departmental system for public reporting of GNWT contracts over $5,000.
DMACS	The Diamond Monitoring and Certification System tracks and certifies diamonds mined in the NWT.
EATS	Environmental Assessment Tracking System — new multi-departmental system to support GNWT activities in environmental assessments and related activities.
Fur harvest database	This database tracks the results of annual fur harvests.
Land use framework decision support tools	A GIS and Information Portal supporting the Land Use Framework and sharing information related to the geography and environment of the NWT. The system supports collection and sharing of data and information related to land use and allows a collaborative shared approach to decisions related to the GNWT Land Use Framework.
LISIN	The licensing system is used for issuing and tracking licences and permits.
Licensed tourism operators database	Monitors and tracks the status of licensed NWT tourism operators.
Parks Permitting System	Used to issue campground and day-park permits.
Parks Reservation System	An on-line portal allowing reservations of campsites.
TEA	The Exceptional Assistant (TEA) database tracks BDIC loans and ITI contributions.

Planned Activities - 2011-12

In 2011-12 the Informatics division will undertake major project work for ITI and ENR as listed below.

System Name	System Description
CRRS	The introduction of two new modules in the GNWT financial management system (SAM) will also require modifications to the Contract Registry System. This will enable integration of CRRS and SAM.
ERMS	If the pilot of an electronic records management system in Public Works and Services is successful, ENR and ITI will deploy electronic records management services. This will support improved records management practices and allow for improved efficiency in handling electronic information.
EATS	A system review and assessment will be conducted, to identify changes that are required to meet changing business processes and to increase system functionality.
Ember	If a 2012-13 capital project to correct deficiencies in the Forest Management division's wildfire management system is approved, pre-project planning will take place in 2011-12. This will include detailed business requirements and analysis, requirements definition and preparing contracting documents as appropriate.
Fur Harvest Database	The system will be redeveloped to enhance system functionality and update the underlying technology. The project will also address issues in the current application such as ease of use, scalability, and high maintence and support requirements.
Land Use Framework Decision Support Tools	2011-12 system enhancements will include development of line-of-business applications for the analysis and presentation of information. It will also include pursuing partnerships with other information producers — such as the Land and Water Boards, federal government departments and Aboriginal governments — to support further integration, collaboration and sharing.
TEA	A 2010-11 review of the ITI contribution tracking and reporting requirements will lead to a system development project the following year. The project will implement a contribution tracking system to increase reporting efficiency and assist in program performance management.
Website enhancements and updates	A 2010-11 review of the web site strategies and approaches will lead to website enhancements and updates, potentially including increased electronic processing.
WMIS	If a 2012-13 capital project to enhance and update the Wildlife Management Information System is approved, work in 2011-12 would include developing detailed business requirements and analysis, requirements definition, and preparing contracting documents as appropriate.

4. FUTURE STRATEGIC DIRECTION

ITI is working with northerners to build economic prosperity and community self-reliance. From tourism to oil and natural gas, fur trappers to diamond cutters, small retail outlets to multinational investment corporations, the department is investing in the NWT through a variety of partners and resources – strengthening the diversity and capacity of NWT people, businesses and communities.

The NWT has vast resource potential. We are committed to sustainable development that will maximize opportunities and choices for NWT residents. ITI promotes the sustainable development of our abundant resources, working to attract new investments. We will ensure that these investments benefit NWT residents by:

- supporting the MGP and related development
- informing NWT residents, communities and governments on resource development
- providing timely world class geosciences data
- monitoring and encouraging sustainable mineral and petroleum developments
- coordinating government-wide energy policy and planning to ensure sustainable and affordable energy is available in NWT communities
- continuing to support the diamond manufacturing industry
- negotiating and implementing socio-economic agreements
- contributing expert analysis and advice to land use and regulatory initiatives
- supporting government-wide efforts for the devolution of authority for lands and resources.

ITI balances efforts to promote sustainable opportunities in the energy, mines, and petroleum resources sectors with initiatives to diversify the economy through tourism, agriculture, commercial fishing, the traditional economy, manufacturing and secondary industries. Our goal is a vibrant, diverse and sustainable economy that offers both opportunities and choices to all NWT residents and communities. To this end the department is developing initiatives and approaches that serve to add value to NWT business products and services, and that broaden the knowledge, skills, and horizons of NWT residents by:

- providing access to capital and loans through the BDIC, our SEED program, and continuing our support for a network of regional Community Futures Organizations
- focusing on small commercial agricultural ventures
- providing funding for community economic development officers
- supporting our fur industry through the GMVF program and promoting trapping through the Take A Kid Trapping program
- investing in the promotion, production and marketing of made-in-the-NWT arts and fine crafts
- building new partnerships and signing an MOU with regional Aboriginal organizations
- encouraging increased investment in NWT businesses and creation of new businesses
- improving and updating the BIP
- negotiating for improved internal and international trade agreements
- co-operating with other government departments on attracting and retaining a skilled workforce
- developing a business case to attract more federal programs and infrastructure
- informing business decisions through provision of up-to-date economic publications
- supporting the agriculture, and traditional economy and manufacturing sectors in the NWT, to reduce reliance on imported goods and food products and thereby lower basic living costs.

One of the NWT's most valued renewable resources, the tourism industry is a strong example of made-in-the-NWT success. ITI's investment in this sector, through the *Tourism 2010* strategy and Canada's Northern House during the 2010 Vancouver Olympic and Paralympics Games, has the potential to develop a myriad of jobs, business opportunities and benefits across the NWT. Department programs and initiatives are helping industry operators invest in new products and market opportunities. To support and

promote tourism even further, ITI is:

- developing strategies to engage Aboriginal communities in the tourism industry
- promoting increased tourism to the North in partnership with the Yukon and Nunavut
- supporting and facilitating the development of a conference centre
- revitalizing our parks system with branding and consistent upgrades of facilities
- enhancing our campsite reservation system
- providing tourism training to meet regional and community demand
- supporting and sponsoring the work of regional stakeholders to identify and establish protected areas under the Protected Areas Strategy.

The NWT's natural features are a magnet for tourists, and are a renewable resource in another sense as well. Northern rivers and lakes have the potential to generate incredible amounts of clean and reliable energy. Projects such as the proposed Taltson hydro expansion have the potential to extend the lives of our diamond mines, provide an alternative energy option to future mines, reduce our dependency on fossil fuels, and in the long term, lead to cheaper energy to our communities. Developing our NWT energy resources and displacing imported diesel will mean more than affordable electricity. It will ensure NWT communities can be sustainable for future generations.

ITI is working with NWT residents and key stakeholder groups to ensure that the NWT has a sustainable energy future by:

- implementing the commitments made in the GNWT Response to the Electricity and NTPC Reviews
- undertaking detailed economic and engineering feasibility studies to identify Mackenzie Valley communities that can take advantage of natural gas to generate electricity
- supporting the Ministerial Energy Coordinating Committee and leading the development of the GNWT Energy Priorities Framework, a detailed plan focused on reducing imported diesel through government-wide initiatives in:
    - energy conservation and efficiency
    - alternative energy and emerging technologies
    - energy policy and planning
    - energy development and supply and
    - reducing GNWT energy use.

ITI will continue with a balanced approach to development and investment, working to minimize importation of both goods and labour. It will continue to take measures that will introduce economic opportunities in all NWT communities, focusing on opportunities that will also impact the cost of living. Whether making decisions about small business or major industry, or about programs to support new technologies or the traditional economy, ITI will continue to move forward on a fair and equitable approach that balances consideration for families and individuals, the environment, and a sustainable economy.